

## Message Text

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ACTION EB-07

INFO OCT-01 EA-07 ISO-00 AGR-05 CIAE-00 COME-00 INR-07

LAB-04 NSAE-00 SP-02 STR-04 TRSE-00 CIEP-01 FRB-03

OMB-01 L-03 /045 W

----- 023499

R 290644Z AUG 75

FM AMEMBASSY SEOUL

TO SECSTATE WASHDC 2468

INFO USDA/FAS/WASHDC

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USDA FOR K. STEPHENS COM EXP PROGRAMS AND FOR D. WILLIAMS COTTON

E.O. 11652: N/A

TAGS: EAGR

SUBJECT: COTTON CONTRACTS

REF: STATE 204919

1. WITH REGARD TO PARA 2 OF REFTTEL, SERIOUSLY DOUBT ROKG WILL PROVIDE 50-60 MILLION DOLLARS FROM KFX FUNDS TO CLEAR UP ANNEX A. RECENT VISIT OF ONE AMERICAN BANKER REVEALED HIS DEEP CONCERN WITH ALREADY SIGNIFICANT COTTON CREDIT EXPOSURE AND EXPRESSED VIEW FURTHER PRIVATE COTTON CREDIT EXPOSURE WAS BEING FRUSTRATED BY CONCERN WITH POLITICAL AND WAR RISKS.

2. NONETHELESS, IT IS EVIDENT ROKG INTENDS EXERT SIGNIFICANT PRESSURE ON KOREAN MILLS TO HONOR ANNEX A OUTSTANDING CONTRACTS AT EARLIEST FEASIBLE TIME. BELIEVE ANSWER TO COTTON CREDIT PROBLEM LIES IN AVAILABILITY OF EITHER 180 DAY OR 12 MONTHS PRIVATE USANCE LINES WHICH MAY BE FORTHCOMING FROM THE U.S. EMBASSY HAS REPEATEDLY PRESSURED ROKG TO CONSIDER EASING CURRENT 2 PERCENT CEILING ABOVE LIBOR RATE RATE HOWEVER MINISTRY OF FINANCE  
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CONSIDERS THIS UNWORKABLE AT THIS TIME.

3. STATUS OF OUTSTANDING L/C'S ON ANNEX A PERIOD II AFTER  
DEPLETION OF CCC FUNDS (EXCEPT 10 MILLION EARMARKED FOR  
ANNEX B) IS 138,085 BALES WORTH \$35.8 MILLION.  
SNEIDER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COTTON, CONTRACTS, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 29 AUG 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975SEOUL06728  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750300-0633  
**From:** SEOUL  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t1975084/aaaaadna.tel  
**Line Count:** 66  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 204919  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 16 JUL 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <16 JUL 2003 by CunninFX>; APPROVED <17 JUL 2003 by GolinoFR>  
**Review Markings:**

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US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** COTTON CONTRACTS  
**TAGS:** EAGR  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006